10 January 1972

MEMORANDUM FOR THE RECORD

SUBJECT: Terminal Selection

1.   The Office of Computer Services initiated a Request
for Price Quotation (RFP) for a cathode ray tube terminal,
which will become the principal CRT terminal in OCS over the
next several years. A Selection Team was appointed to examine
vendor responses to this RFP, and to select, on a cost benefit
basis, the terminal best suited to our requirements. While no
deadline was given for the completion of the selection process,
a certain degree of urgency was expressed by the SIPS Task
Force, which has a near-term requirement for approximately forty
(40) CRT terminals.

2.   After careful consideration of the responses to the
RFP (thirteen vendors responded), it became apparent that
several terminals were clearly better, from a technical stand-
point, than the remaining terminals. These terminals were:

A.   Video Systems
B.   Delta Data
C.   Computek

The significant difference between the Delta Data and Video
Systems proposals is that Delta Data can meet most of the RFP
requirements with an off-the-shelf terminal, and has shown the
willingness and technical know-how to make modifications to meet
the remaining requirements. The Delta Data Terminal has a
superior character font (7 x 9 dot matrix) and a good buffering
scheme. Video Systems does not produce a terminal with 80
characters to the line. Significant design and engineering work
would be needed to convert from the present 72 to an 80 char-
acter line. It would take 2-3 months to build a prototype, with
no assurance that the prototype would be acceptable. The Video
Systems character set (5 x 7 dot matrix) makes it hard to dis-
tinguish between certain letters of the alphabet (N, M, H).

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Finally, the Video Systems terminal handles character insert and delete in an awkward manner.

3.   The Computek terminal, in contrast to the bulk of the other terminals, is driven by a small programmable CPU. For this reason, the Computek terminal had a distinct edge over the other terminals in meeting the specialized requirements of our RFP. (In our evaluation, the Computek terminal received a numeric score of 1020, while the Delta Data and the Video Systems terminals scored 1003.) This competitive edge is some-what tempered by the lease cost of the Computek as compared with the Delta Data -- $285.00 a month for the Computek terminal versus $165.00 a month for the Delta Data terminal.

4.   Under the assumption that we would eventually have 100 such terminals, the cost of the Computek terminal over the Delta Data terminal would be approximately $12,000 per month, on a one year lease basis. The Delta Data terminal, while not as flexible as the programmable Computek terminal, satisfies the RFP in all major respects', and, although it is not a pro-grammable terminal, its modular design gives it considerable flexibility. The Delta Data vendor has demonstrated a capability to respond rapidly to suggested changes to his terminal and its mode of operation. Assuming that the lease cost ratio remains constant between the Computek terminal and the Delta Data terminal, it is the unanimous consensus of the Terminal Selection Team that the Delta Data terminal meets our specifications as stated in the RFP, and represents the best terminal on a cost benefit basis.

5.   While we all agreed that the Delta Data terminal was the best choice, this is not to denigrate the Computek terminal, and, in fact, the Computek might well be useful to us for certain applications. Clearly, while the intent of the RFP was to identify a "standard" terminal, it was not the intent of the RFP to identify a terminal that would be used to the exclusion of all other terminals. Thus, the Computek terminal is a good (but expensive) choice. It would not be prudent to limit our future acquisition and use of terminals to those vendors who responded to the RFP. For example, the Beehive terminal and the new MIT terminals being investigated by the Advanced Projects staff might be useful in certain specialized applications.

6.   While it definitely was not mentioned in the RFP, Delta Data has informed us that for a one time cost of $14,000 and a cost per terminal of $100.00 it would be possible to provide

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each terminal with an APL type font, with a capability of making overstrikes in the conventional APL manner. They could also provide an upper and lower case type font at an additional charge. This would permit the use of the terminal for SCRIPT file editing.

7. I have informed [   ] of the Office of STATINTL Logistics, of our findings. [   ] advised the Computek Corporation that they were no longer in contention. They were disqualified, essentially, on the high lease cost of their product. In responding to the notice of their disqualification, Computek Corporation expressed a desire to negotiate the lease price of their terminal downward. Since it is probable that Delta Data will also negotiate their price downwards in the closing days of the selection process, it seems to me unlikely that Computek would be able to compete effectively on a cost benefit basis. [   ] has explained that in the normal protocol of a selection process, additional negotiations are legitimate in the closing days, and feels that it is in the best interests of the Agency to permit Computek the opportunity to negotiate their lease price downward. I concur with Mr. [   ] suggestion with the caveat that such negotiations do not unduly prolong the awarding of the contract.

8. [   ] will advise the Computek Corporation that they may continue downward negotiations, and negotiations with Delta Data (to refine the technical specifications and to reduce the lease cost) will continue.

9. [   ], Deputy Chief, Operations Division, OCS, has agreed to handle all subsequent negotiations with the vendors and is the point of contact in OCS relative to the procurement of terminals under this RFP.

[   ]
Chief, Terminal Selection Team

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